



2800 Gap Road  
Batesville, Arkansas 72501

*Via electronic mail*

June 3<sup>rd</sup>, 2019

P&G Chemicals & Ingredients Purchases

[dahman\(gp@pg.com](mailto:dahman(gp@pg.com)

[hodges.jm@pg.com](mailto:hodges.jm@pg.com)

Re: NOBS Second Order

Dear Greg:

We received your letter dated May 21, 2019 regarding P&G's decision to decline the second order of NOBS under our May 18, 2018 purchase agreement. After forty years of production history together, we are obviously disappointed and even had offered a manufacturing campaign down to 2.5 million pounds to continue supplying NOBS.

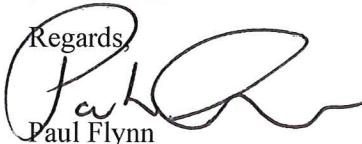
As you know, the equipment dedicated to the NOBS process is multi step and includes a large-scale continuous reactor with an annual design capacity of 60 million pounds. Under section 7.3 of our purchase agreement, we will need to conduct a final accounting of P&G dedicated raw materials and work-in-process in our custody.

As set forth below, our preliminary estimate of the final accounting for the materials to be returned to P&G or disposed of at your direction is:

Material	Quantity (lbs.)	Price
Nonanoic (C9) Acid	531,100	\$717,474
Phenol	247,854	\$126,962
PEG 4000	41,756	\$49,763
Palmitic Acid	271,589	\$306,030
Acetic Anhydride	68,707	\$56,229
Caustic Soda, 50%	215,296	\$28,388
Oleum	94,851	\$11,216
<b>Preliminary Subtotal</b>		<b>\$1,296,063</b>

Final disposal and shipping costs will be calculated once we receive your instruction on how to proceed.

It has truly been our pleasure to work with P&G on NOBS over the years and we hope that in the future we will be considered as a strategic manufacturer on other P&G opportunities. Please feel free to contact me at [paulflynn@ffcmail.com](mailto:paulflynn@ffcmail.com) or (314) 854-8385 with any questions or if you would like to discuss.

Regards,  
  
Paul Flynn

FutureFuel Chemical Company  
Executive VP of Business and Marketing

cc: Jim Hodges

**EXHIBIT C**